

**BUDGET SUMMARY**

	FY 02 Adopted	FY 03 Adopted	FY 04 Adopted
Local Sales Tax	\$ 7,037,026	\$ 7,339,365	\$ 7,784,000
Transient Occupancy Tax	2,081,005	2,000,000	2,020,000
Delinquent Taxes	0	5,000	5,000
Meals Tax	3,593,221	3,839,000	4,020,630
Deeds of Conveyance	200,000	240,000	250,000
Bank Franchise Tax	141,400	217,635	228,516
E-911 Emergency Tax	760,000	962,323	1,000,000
Recordation Tax	500,000	575,000	600,000
Other Local Tax Interest	0	5,000	5,000
Total	\$ <u>14,312,652</u>	\$ <u>15,183,323</u>	\$ <u>15,913,146</u>

**BUDGET COMMENTS**

Other Local Taxes include the budget for the 1 percent **Local Sales Tax**. This tax is collected with the 3.5 percent State sales tax at the time of sale, and remitted to the County. These taxes are expected to increase by about 4 percent over the next year.

**Transient Occupancy Room Tax** revenues are those received from the tax imposed on hotel, motel room sales, and rental condominium units. Tax revenue beyond two percent is targeted toward tourism in accordance with the language of the State legislation authorizing the additional tax. The receipts from this tax have been slightly declining over the past four years and the projection has been adjusted to reflect this trend.

The **Meals Tax** represents a tax on food eaten on premises. The County levies a 4 cents tax on prepared food and beverages. In November of 1988, the voters of James City County approved, by referendum, the establishment of a meals tax in the County. Because of the impact on tourism in the County, it is estimated that 70 percent of the revenue is generated by nonresidents of the County. The revenues are expected to increase due to growth and the increased collection efforts of the Treasurer's Office.

**Deeds of Conveyance** records revenue received from the tax imposed on conveyance of property deeds. The tax is based on the value of the property involved.

**Bank Franchise Tax** represents revenue received from the tax imposed on bank deposits in County bank branches, less certain allowable deductions. New bank branches plus growth in deposits account for the anticipated increase.

The **Telephone E-911 Charge** is assessed to recover capital and maintenance expenses of the County's enhanced 911 program and is collected as part of residential and commercial telephone bills.

The **Recordation Taxes** are fees levied for documents recorded at the Clerk of Circuit Court's Office. Fees vary based on the type of document. The principal fee source is based on real estate transfers.